



Legislation Text

File #: 19-479, **Version:** 1

Report regarding consideration of applications for Design Review, a Subdivision Map and a Minor Use Permit to construct eight condominium units and to allow a fence taller than three feet within the front setback at 645 Baden Avenue, and determination that the project is categorically exempt from CEQA. (*Justin Shiu, Consultant Planner and Sailesh Mehra, Planning Manager*)

RECOMMENDATION

Staff recommends that the City Council follow the Planning Commission's recommendation and adopt a resolution making findings and approving the Planning Project (P18-0034), including Design Review (DR18-0017), Subdivision Map (SA18-0003), and Minor Use Permit (MUP18-0009), based on the attached draft findings and subject to the attached draft Conditions of Approval and determine that the Project is categorically exempt under the provisions of the California Environmental Quality Act (CEQA).

PROJECT OVERVIEW AND BACKGROUND

The Applicants (Gabe Gonzales, Pradeep Gandhi, and Hayes Shair) are seeking entitlements to construct condominium units at 645 Baden Avenue. The project (P18-0034) proposes eight condominium units accommodated by two three-story buildings for a total floor area of 12,836 square feet on a 10,500 square foot parcel (FAR of 1.22). The property is occupied by an existing 930 square foot single-family residence that would be demolished to construct the project.

The proposed eight units are split between two buildings that are each 6,470 square feet in gross area. The project provides for four 3-bedroom/2.5-bath units and four 4-bedroom/3-bath units. Unit sizes range from approximately 1,000 square feet to 1,600 square feet of living space. The site would be served by a one-way driveway that allows entry from Baden Avenue, access to parking in the middle of the site, and exit onto Second Lane. The Applicants' proposal, design approach, and neighborhood compatibility considerations are summarized in their project description (Exhibit C - Resolution)

ZONING CONSISTENCY ANALYSIS

The site is zoned Downtown Residential Medium (DRM). Multi-unit residential is permitted under the DRM zoning district. The project complies with applicable development standards and has requested deviations from certain standards, which would be permitted as described in the staff report section below entitled "Affordable Housing and Density Bonus Provisions."

Table 1. Development Standard Compliance

	Proposed Project	Development Standard
Lot Size	10,500 sf (existing)	5,000 sf (min)
Density	8 units	6 units plus 2 bonus units (total of 8 units)

Floor Area	12,836 sf	13,125 sf (max)
Floor Area Ratio (FAR)	1.22	1.25 (max)
Height	35 feet	35 feet (max)
Setbacks		
Front	15 feet	15 feet (min)
Side - First/Second Story	5 feet	5 feet (min)
Side - Third Story	5 feet, allowed w/ concession	10 feet (min)
Rear	15 feet	15 feet (min)
Lot Coverage	45%	90% (max)
Private Open Space	1,382 sf	800 sf (100 per unit min)
Common Open Space	1,000 sf	800 sf (100 per unit min)
Parking	12 spaces	12 spaces (min)

Design

The project proposes the development of eight units. Two buildings allow for the configuration of four units along the Baden Avenue side of the property and four units along the Second Lane side. The proposed townhome style design allows the four units in each building to appear as three units from the facades. The project complies with the height limit of 35 feet for the DRM zoning district and building setback requirements for the ground floor.

The design incorporates traditional elements within a contemporary design. The design elements include the large emphasis on wood materials for softer, traditional materials in the residential design and the use of railings, sunshades, and wall sconces that recognize the City's history in steel works.

The design would have a more modern design than the existing buildings along the block, and the structure is a different style from the two neighboring residences. However, the block consisting of Baden Avenue between Magnolia Avenue and Orange Avenue also does not have a single prevailing architectural style or scale of development. The project design is generally comparable to some of the multi-family developments with flat roofs on Baden Avenue.

Affordable Housing and Density Bonus Provisions

The project proposes two units of below market rate housing with six units of market rate housing. The Applicants prepared an affordable housing proposal that provides a brief description of the two affordable units (Exhibit D - Resolution). Chapter 20.380 of the Municipal Code requires the provision of affordable housing for a residential development of four or more units.

The City's inclusionary housing ordinance applies to for-sale units of five units or more and requires a minimum of 15 percent be inclusionary units. (SSFMC § 20.380.005(B)(1).) Of the 15 percent inclusionary units, 50 percent of the units must be designated for low income households and 50 percent must be designated for moderate income households. As applied here, 15 percent of the six units permitted by the base density is equal to a minimum of one affordable unit (0.9 to be precise). Where the calculation of designated affordability level results in a fractional number (i.e., one required affordable unit results in 0.5 low income and 0.5 moderate income units), the number of units must be rounded to the higher income level. (SSFMC §

20.380.005(C).) In other words, the one required inclusionary unit shall be designated for moderate income households.

Although the City's inclusionary housing ordinance requires only one inclusionary unit for moderate income households, the Applicants propose two inclusionary units for moderate income households pursuant to the City's density bonus ordinance and (SSFMC Ch. 20.390 "Bonus Residential Density") and State Density Bonus provisions (Gov. Code § 65915, *et seq.*). These density bonus provisions permit the project to develop a total of eight units on the site, two of which must be for moderate income households.

The City's density bonus ordinance states that the City shall grant a density bonus and incentives/concessions when a project contains at least five units and to the extent required under State Density Bonus Law. (SSFMC § 20.380.006(A).) The State provisions allow for additional density exceeding the maximum base density established for the zoning district - here the base density for this site is six units. State Density Bonus Law determines that with a provision of 33 percent moderate income units, excluding units added by the bonus (i.e., 33 percent equals two proposed moderate income divided by six base units), a density bonus of 28 percent is provided and two additional units are allowed as a result (i.e., 28 percent times six units equals 1.68 units, which is rounded up to two units).

State Density Bonus Law provisions allow for additional concessions or incentives that may be granted, including deviations from development standards. Since the project is proposing at least 30 percent of total units as moderate income units (four market rate units, two moderate income units, and two market rate density bonus dwelling units), three concessions or incentives are required to be provided. (Gov. Code § 65915(d)(2) (C).) The project is requesting the following three deviations from development standards:

- Locating two entries at the side of the buildings rather than at the street facing sides.
 - The general standard requires street-facing entries.
 - Here, two entries would not be street-facing, but six entries will still be street-facing.
- Reducing the third story setback requirement at certain portions of the upper story.
 - The general standard requires third stories in the DRM district to be set back 10 feet from interior lot lines.
 - Here, portions of the third story are set back five feet, which is still consistent with the ground floor setback requirement.
- Reducing the size of parking spaces.
 - The general standard requires the standard dimension for a new residential garage space is 10 feet by 20 feet.
 - Here, the proposed dimension is 8.5 feet by 18 feet, which is equal to the minimum standard for an existing residential garage space.

Affordability Housing Agreement

With approval of the requested Design Review, Subdivision Map, and Minor Use Permit, the Applicants will continue the next step in establishing affordability of the units. The Applicants will prepare an Affordable Housing Agreement to be reviewed and considered at the administrative level, as the project does not request special offsets and incentives other than those permitted by right. (SSFMC § 20.380.014) Approval of the affordable housing agreement will be made by the City Manager or his designee.

Condominium Units

The Applicants propose all of the units to be condominiums, which would provide for ownership of six market rate and two affordable units. The creation of condominiums falls under subdivision review and must comply

with the City's subdivision requirements for condominiums (SSFMC Ch. 19.40 "Standard Subdivision Procedure"). The Applicants prepared a vesting tentative subdivision map to establish condominiums, which has been reviewed for compliance with subdivision requirements (Exhibit E - Resolution). A document outlining the proposed covenants, conditions and restrictions to be recorded with the subdivision map has been prepared (Exhibit F - Resolution).

Fence

A fence that is greater than three feet is proposed to provide a protective barrier around the open space area facing Baden Avenue. Fences that are greater than three feet in height within the front setback area, require the approval of a Minor Use Permit. (SSFMC § 20.300.005). The fence height at the front property line is approximately three feet high. However, this fence would exceed three feet as the site slopes downward due to the lower elevation of the open space area and the downward slope of the site. The fence is measured at approximately four and a half feet high at the lower portion of the front yard area. Findings for approving the fence can be made as the fence is integrated into the design of the open space, compatible with the design of the building, and provides for a safe separation between elevation changes. Staff recommends minor modifications to the fencing through the removal of some horizontal wood slats to increase visibility of the right of way. This recommendation is included in the Draft Findings of Approval (Exhibit A - Resolution).

Parking Requirements and Trip Generation Analysis

The project proposes 12 parking spaces and requests exceptions regarding the dimensional requirements of spaces. SSFMC Section 20.330.007 "Downtown Parking" establishes the minimum parking requirement as 1.5 spaces per unit, with a minimum of one covered space for each unit. The proposal of eight units is complemented by the provision of 12 parking spaces through a combination of general garage spaces, tandem garage spaces, and covered carport spaces. Each unit has access to at least one parking space.

As mentioned in the section above, the project will apply one of the deviations to development standards allowed through State Density Bonus concessions to reduce the City's parking space dimension standards to provide for the required covered parking spaces. The size of a standard covered parking space established by Chapter 20.330 "On-Site Parking and Loading" is 10 feet by 20 feet. The reduction to dimensions requested does not reduce the spaces to less than 8.5 feet by 18 feet, which is the minimum size that an existing single family garage parking space needs to meet in order to be considered a required parking space under the Municipal Code.

The project will provide two long-term bicycle parking spaces in compliance with all of the standards in Section 20.330.008. This requirement is incorporated in the Conditions of Approval.

The project is expected to generate an additional 49 daily trips, with minimal traffic impact during the peak hours. Using standard Institute of Transportation Engineer Trip Generation Manual trip rates, the total net number of trips going into or out of the site is three trips during the morning peak hour and three trips during the evening peak hour (Exhibit G - Resolution).

Historical Review

A historical review of the site found no historical significance for structures that were on the site. Since the property had been developed for over 50 years, a benchmark for consideration of historical significance, a report was prepared to analyze the historical qualities and determine significance of structures that would be demolished to construct the project (Exhibit H - Resolution). The report found that the original house likely was built some time before 1910. Additions and alterations made since 1941 have caused the house to lose the integrity of the original design, materials, and workmanship, as well as other qualities. Integrity for the period

after 1941 also remain uncertain because the appearance of the house at various times after that date is also uncertain.

Under the criteria for evaluation from the California Register of Historical Resources, the structure was not found to meet the criterion for historical significance. The California Register is an inventory of significant architectural, archaeological, and historical resources in the State. The report analyzed the property using the criterion for being listed in the California Register and found that the structure does not maintain the design integrity to meet the criterion. An evaluation of archaeological resources was not included within the scope of the report; however, a Condition of Approval was added to establish the procedure for further analysis should any resources of potential archaeological significance be discovered.

GENERAL PLAN CONSISTENCY ANALYSIS

The City's General Plan designates the parcel as Downtown Medium Density Residential (DMR), which is intended for medium density residential development. The proposed use is therefore consistent with the City's vision for downtown residential units and is appropriately sited.

DESIGN DISCUSSIONS AND REVIEW

Design Review Board

The project was reviewed by the Design Review Board (DRB) on June 19, 2018 and August 21, 2018 (Attachment 1 and 2). At the June 19th DRB meeting, the Board believed that the project did not fit with the site. Concerns that were raised included that the project was too large for the site, was too boxy, and did not offer sufficient outdoor area.

The Applicants worked with Staff in exploring alternatives using traditional design elements such as gabled roofs and stone veneer and explored a style using similar elements from the Magnolia Plaza Senior Apartments. However, the alternatives increased the perceived bulk and mass of the structure. The Applicants and Staff believed that the general concept of the initial design was preferable in that it had a more cohesive design and less imposing appearance compared to the alternatives (Attachment 3). The Applicants then sought to revise the original design to better incorporate traditional materials, minimize the massing while maintaining comfortable living space, and create improved usable open space area on site.

At the August 21st DRB meeting, the Board again expressed concerns about the size of the project at this site, massing, height, and usable open space. The Board's concerns can be found in Attachment 2. The Applicants have provided a narrative of the project in Exhibit C of the Resolution.

Neighborhood Outreach

The Applicants hosted a neighborhood outreach meeting at 645 Baden Avenue on Friday, September 7, 2018 from 4:00pm to 6:00pm. Several members of the Applicant team shared the design and discussed the project with persons who stopped by the table. Staff was also in attendance to observe and respond to questions. Of the conversations heard by Staff, there were comments about vehicles using on-street parking and desire for the Applicants to hold off construction until 2019 or later. The Applicants conveyed that twelve parking spaces were provided on site, with at least one per unit, and explained that construction would not begin until 2019 at the earliest if the project is approved. There did not appear to be objections to the design of the building.

Housing Subcommittee

The Applicants presented the proposal to the Housing Subcommittee on September 17, 2018. The Housing Subcommittee favorably viewed the design of the proposal and recommended that the project continue to proceed through to the next review process.

Planning Commission

Planning Commission considered the proposal at a public hearing on May 16, 2019 (Attachment 4). The project received praise for the design of the buildings, the creativity in developing the site to accommodate the proposed amount of parking and living area, and the provision of affordable ownership units. Planning Commission complimented the Applicants in their work on creating the affordable units in the proposed design and encouraged them to consider whether even greater levels of affordability would be possible.

One speaker from the public commented on the project. The speaker was the adjacent neighbor with concerns about fencing location due to previous fence disputes with another neighbor. The Applicants expressed willingness to communicate with the neighbor privately on potential fencing concerns, and the neighbor responded with willingness to have further discussions with the Applicant. As a fence dispute is a private matter between neighbors where the City typically does not become involved, private discussions between the property owners outside of the public hearing setting are appropriate for resolution of these potential concerns.

Planning Commission directed the project to move on to City Council for consideration with a recommendation to approve the project (Attachment 5).

ENVIRONMENTAL REVIEW

The proposed project has been determined to be categorically exempt under the provisions of CEQA, Class 32, Section 15332, In-Fill Development Project. The project is consistent with the general plan and zoning code, is on a site surrounded by urban uses and not more than five acres, does not have value as a habitat, does not result in any significant effects as supported by trip generation estimates projecting minimal additional trips, does not result in loss of historically significant structures as supported by historic review of the site, and can be served by utilities in place that adequately serve the neighborhood.

FISCAL IMPACT

The project will pay applicable impact fees and will not otherwise have a fiscal impact on the City.

RELATIONSHIP TO STRATEGIC PLAN

The project helps achieve the following goals/objectives of the City's Strategic Plan:

Priority Area 2 Quality of Life, Initiative 2.3 - Promote a balanced mix of housing options.

The projects entails the construction of eight condominium units, of which two will be affordable units. The project will add to the City's diverse housing stock by providing market-rate and affordable multifamily residential units that can be owned by the occupants, which will achieve this priority contained in the Strategic Plan.

CONCLUSION

The proposed project would create new market rate and affordable housing units within a medium scale development in the downtown area. The proposed project meets the guidelines and requirements of the General Plan's Downtown Medium Density Residential (DMR) land use and applicable zoning regulations.

Therefore, staff recommends that the City Council follow the Planning Commission's recommendation and adopt a resolution making findings and approving the Planning Project (P18-0034), including Design Review (DR18-0017), Subdivision Map (SA18-0003), and Minor Use Permit (MUP18-0009), based on the attached draft findings and subject to the attached draft Conditions of Approval and determine that the Project is

categorically exempt under the provisions of the California Environmental Quality Act (CEQA).

Attachments to the Staff Report

1. Design Review Board Comment Letter, June 19, 2018
2. Design Review Board Comment Letter, August 21, 2018
3. Design Alternatives
4. Planning Commission Minutes for May 16, 2019
5. Planning Commission Resolution #2837-2019
6. Staff Presentation Slides
7. Applicant Presentation

Exhibits to the Resolution

- A. Draft Findings and Conditions of Approval
- B. Plan Set dated October 25, 2018
- C. Project Description
- D. Affordable Housing Proposal
- E. Vesting Tentative Map dated April 5, 2019
- F. Covenants, Conditions, and Restrictions
- G. Traffic Analysis
- H. Historical Report